

1999 DEC 14 AM 11:41

Vol M99 Page 49105

MTG 47292-M9

COVER SHEET FOR RECORDING ATTACHED DOCUMENT

NAMES OF TRANSACTIONS	Arbuckle to Tanner Contract of Sale
GRANTOR: NAMES OF PARTIES	Jack C. Arbuckle and William C. Arbuckle (as Vendor)
GRANTEE:	Jasper Tanner and Lynn Tanner (as Vendee)
DOCUMENT TO BE RETURNED TO	Amerititle Collection Dept. 222 S. 6th Street Klamath Falls, OR 97601
TRUE AND ACTUAL CONSIDERATION	42,000.00
UNTIL A CHANGE IS REQUESTED, ALL TAX STATEMENTS SHALL BE SENT TO	Jasper Tanner P.O. Box 8127 Klamath Falls, OR 97601
FOR COUNTY CLERK LIEN RECORD	
INFORMATION REQUIRED BY ORS 205.125(c)&(e)	
(f) IF DOCUMENT IS A SATISFACTION, THE BOOK AND PAGE RECORDING THE LIEN	BOOK: PAGE:

CONTRACT OF SALE

THIS CONTRACT OF SALE, made and entered into this 1st day of December, 1999, by and between Jack C. Arbuckle and William C. Arbuckle, hereinafter called the vendor, and Jasper Tanner and Lynn Tanner, hereinafter called the vendee.

WITNESSETH

Vendor agrees to sell to the vendee and the vendee agrees to buy from the vendor all of the following described property situate in Klamath County, State of Oregon, to-wit: The land only excluding any improvements to the following described property:

Beginning at the Southeast corner of the SW1/4 of the SW1/4 of Section 34, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon; thence North 470 feet; thence West 470 feet; thence South 470; thence East along the South line of the said SW1/4 of the SW of Section 34, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM that portion conveyed to the United States of America by Deed recorded May 13, 1909 in Volume 27, page 25, Deed Records of Klamath County, Oregon.

SUBJECT TO: Easements, rights of way of record and those apparent on the land.

Account no. 4210-03400-01700 - Key No. 100027 - Code No. 018

The vendee is aware that the vendor owns a structure which encroaches 50.2 feet on the property adjacent to the easterly boundary of the above-described real property as disclosed by survey dated June 1993 by Tru-Line Survey. This contract and any deed issued in fulfillment of this contract does not transfer to the vendee any interest in the structure.

at and for a price of \$42,000.00, payable as follows, to-wit: \$4,700.00 at the time of the execution of this agreement, the receipt of which is hereby acknowledged; \$37,300.00 with interest at the rate of 8% per annum from December 1, 1999 payable in installments of not less than \$300.00 per month inclusive of interest, the first installment to be paid on the 15th day of January, 2000, and a further installment on the 15th day of every month thereafter until December 1, 2009, when the full balance plus interest are due and payable.

The Vandee is aware that the vendor purchased the property in 1977 and at the time of that purchase by vendor, the house and improvements located on the above-described real property, which encroach upon the easement held by the Bureau of Reclamation, and that the vendor has made application for an encroachment permit to the Bureau of Reclamation, which application has been denied. The vendor shall issue a Bill of Sale to the vendee for the improvements on the following described real property situated in Klamath County, Oregon: Beginning at the Southeast corner of SW1/4 of SW1/4, Section 34, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon; thence North 470 feet; thence West 470 feet; thence South 470 feet; thence East along the South line of the said SW1/4 of the SW of Section 34, Township 40, Range 10 East of the Willamette Meridian, which Bill of Sale shall be placed in escrow with AmeriTitle. The vendor does hereby authorize the vendee to continue any proceedings in an attempt to obtain an encroachment easement from the Bureau of Reclamation at the vendee's sole expense. The vendor does hereby retain a security interest in the improvements located on the above-described real property to insure full payment of the purchase price of this contract. So long as the vendee is current on the payments due under this contract, vendee shall have the right to occupy the improvements on the above-described real property. The vendee shall be solely responsible to provide any necessary maintenance or insurance on the property and to pay any real property taxes that may be assessed on the improvements.

4-11-68 L. 9:58 AM
 Money in Line
 TIC 1001 8118 1001
 XL 1001 1001 000
 9764
 541 852 1223
 032 671 123

Vendee agrees to make said payments promptly on the dates above named to the order of the vendor, or the survivors of them, at the AmeriTitle, 222 S. 6th Street, at Klamath Falls, Oregon; to keep said property at all times in as good condition as the same now are, that no improvement, now on or which may hereafter be placed on said property shall be removed or destroyed before the entire purchase price has been paid and that said property will be kept insured in companies approved by vendor against loss or damage by fire in a sum not less than FULL INSURANCE VALUE with loss payable to the parties as their respective interests may appear. said policy or policies of insurance to be held by vendee with copy to vendor, that vendee shall pay regularly and seasonably and before the same shall become subject to interest charges, all taxes, Klamath Basin Irrigation District assessments and furnish paid receipts to vendor within 15 days from the due date of the taxes or assessments, liens and encumbrances of whatsoever nature and kind and agrees not to suffer or permit any part of said property to become subject to any taxes, assessments, liens, charges or encumbrances, whatsoever having precedence over rights of the vendor in and to said property. Vendee shall be entitled to the possession of said property on December 1, 1999.

Vendor will on the execution hereof make and execute in favor of vendee good and sufficient warranty deed conveying a fee simple title to said property free and clear as of this date of all encumbrances whatsoever, except easements, rights of way of record and those apparent on the land, Bill of Sale to the improvements constructed on the above-described real property and Termination of Financing Statement. Vendee shall sign a Financing Statement for the improvements located on the above-described real property and they will place said deed, Bill of Sale, Financing Statement and Termination of Financing Statement together with one of these agreements in escrow at the AmeriTitle, 222 S. 6th Street, Klamath Falls, OR 97601, together with the Bill of Sale and Termination of Financing Statement and shall enter into written escrow instruction in form satisfactory to said escrow holder, instructing said holder that when, and if, vendee shall have paid the balance of the purchase price in accordance with the terms and conditions of this contract, said escrow holder shall deliver said instruments to vendee, but that in case of default by vendee, said escrow holder shall, on demand, surrender said instruments to vendor.

But in case vendee shall fail to make the payments aforesaid, or any of them, punctually and upon the strict terms and at the times above specified, or fail to keep any of the other terms or conditions of this agreement, time of payment and strict performance being declared to be the essence of this agreement, then vendor shall have the following rights: (1) To foreclose this contract by strict foreclosure in equity; (2) To declare the full unpaid balance immediately due and payable; (3) To specifically enforce the terms of the agreement by suit in equity; and in any of such cases, except exercise of the right to specifically enforce this agreement by suit in equity, all of the right and interest hereby created or then existing in favor of vendee derived under this agreement shall utterly cease and determine, and the premises aforesaid shall revert and revest in vendor without any declaration of forfeiture or act of reentry, and without any other act by vendor to be performed and without any right of vendee of reclamation or compensation for money paid or for improvements made, as absolutely, full and perfectly as if this agreement had never been made.

Should vendee, while in default, permit the premises to become vacant, vendor may take possession of same for the purpose of protecting and preserving the property and his security interest therein, and in the event possession is so taken by vendor he shall not be deemed to have waived his right to exercise any of the foregoing rights.

And in case suit or action is instituted to foreclose or to enforce any of the provisions hereof, the prevailing party in such suit or action shall be entitled to receive from the other party his costs which shall include the reasonable cost of title report and title search and such sum as the trial court and or appellate court, if any appeal is taken, may adjudge reasonable as

VERMILION, BRIDGEMAN
ALBERT, KILPATRICK
119 North 10th Street
KLAMATH FALLS, OREGON
97601
504-882-7113
504-882-7113

attorney's fees to be allowed the prevailing party in said suit or action and or appeal, if an appeal is taken.

Vendee further agrees that failure by vendor at any time to require performance by vendee of any provision hereof shall in no way affect vendor's right hereunder to enforce the same, nor shall any waiver by vendor of such breach of any provision hereof be held to be a waiver of any succeeding breach of any such provision, or as a waiver of the provision itself.

In construing this contract, it is understood that vendor or the vendee may be more than one person; that if the context so requires the singular pronoun shall be taken to mean and include the plural, the masculine, the feminine, and the neuter, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

This agreement shall bind and inure to the benefit of, as circumstances may require, the parties hereto and their respective heirs, executors, administrators and assigns.

This instrument will not allow use of the property described in this instrument in violation of applicable land use laws and regulations. Before signing or accepting this instrument, the person acquiring fee title to the property should check with the appropriate city or county planning department to verify approved uses and to determine any limits on lawsuits against farming or forest practices as defined in ORS 30.930.

This agreement has been prepared by William L. Hisehore as attorney for Jack C. Arbuckle and William C. Arbuckle. The buyers are advised that they have the right and should consult with their own attorney before signing this agreement.

WITNESS the hands of the parties the day and year first herein written.

Jack C. Arbuckle

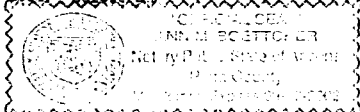
Jasper Tanner

William C. Arbuckle

Lynn Tanner

STATE OF Oregon
County of Curia 19__

Personally appeared the above named Jack C. Arbuckle and William C. Arbuckle and acknowledged the foregoing instrument to be their voluntary act and deed.



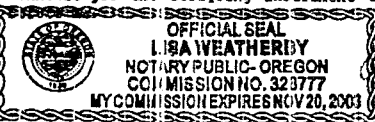
Notary Public for

My Commission Expires 9-17-2002

STATE OF Oregon
County of Klamath 19__

December 13, 1999

Personally appeared the above named Jasper Tanner and Lynn Tanner and acknowledged the foregoing instrument to be their voluntary act and deed.



Notary Public for

My Commission Expires: 11/20/2003

WILLIAM L. HISEHORE
Attorney at Law
1100 North G Street
Klamath Falls, OR 97603
541-882-7228
C.S.B. #73133

Contract of Sale - Page 3

State of Oregon, County of Klamath
Recorded 12/14/99, at 11:41 a.m.
In Vol. M99 Page 49105
Linda Smith,
County Clerk Fees \$45.00